(V) Sustainable Development Implementation, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reason for any such variance.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
I. Does the Company have a governance structure for sustainability development and a dedicated (or ad-hoc) sustainable development organization with Board of Directors authorization for senior management, which is reviewed by the Board of Directors?	✓		1. On January 21, 2022, the Board of Directors resolved to change the name of the "Corporate Social Responsibility Committee" to the "Sustainable Development Committee", and appointed three directors as members of this Committee. According to the related activities, the Committee has set up several functional teams, including the Corporate Governance Team, the Environmental Safety and Health Team, and the Employee Relations and Community Participation Team. (1) Corporate Governance Team: Help strengthen the functions of the Board of Directors, focus on shareholders' rights and interests, and integrate relevant departments to formulate various corporate governance-related rules and systems, and be responsible for assisting in the completion and implementation of corporate internal control systems, ethical management, and risk management to ensure the transparency of information disclosure and the compliance with relevant laws and regulations. (2) Environmental Safety and Health Team: Integrate and promote company-wide environmental protection, safety and health, energy saving, water conservation and greenhouse gas management related works to enhance the competitiveness in sustainability. (3) Employee Relations and Community Participation Team: Protect the basic rights of employees, promote company-wide communication with the community and society, and cooperate with the Kenda Cultural and Educational Foundation to promote social welfare activities. 2. The Committee holds regular meetings and reports to the Board of Directors at least once a year on the performance results and the work plan for the next year, and reviews the annual sustainability report. A total of 7 meetings were held in 2023, and the agenda included (1) review of the performance of sustainable development indicators (2) supervision of the implementation of sustainability-related issues (3) revision of sustainable management goals and policies. The Company's 2022 Sustainability Report was submitted to the Board of Directors on May 10, 2023; 2023 Sustainability Report will be submitted to the Board of Directors to discuss on August 8, 2024. 3. The Sustainable Development Committee proposes the Company's sustainable development strategy, and the board of directors regularly reviews the progress of the strategy and provides recommendations to the committee for adjustments in a timely manner.	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
II. Does the Company conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy in accordance with the materiality principle? (Note 2)	✓		1. Boundary of risk assessment is mainly based on the region where the Company and its subsidiaries are located. 2. The Company's "Corporate Governance Risk Management Policy And Operating Procedures" adopted by the Board of Directors on November 9, 2022 stipulate the following: In order to effectively identify and control risk events that affect the Company's objectives and sustainable operations, the Company's Risk Management Team conducts risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the principle of materiality, and establishes relevant management policies and management indexes based on the assessed risk results, which are carried out by the relevant management units and the highest authority. 3. The risks arising from those significant issues are evaluated as follows: Global risks identified by the World Economic Forum: prolonged economic downturn and failure of climate-change adaption. Climate change risk (TCFD) identification: change customer behavior shifts and rise raw material costs rises. Management system risk identification: employee risk, raw material risk, market risk, financial risk, safety, health and environmental risk and climate change risks. 4. For risk management concerns, response measures and action plans, please refer to pages 281-283 of the Company's 2023 Annual Report.	No material difference.
III. Environmental Issues (I) Has the Company established an appropriate environmental management system based on the industry characteristics?	✓		1. In order to achieve the goal of sustainability, we have established the "Environmental Safety and Health Policy" to continuously improve our environmental safety and health performance, with "Zero Disaster, Zero Pollution" as the ultimate goal for environmental protection and safety and health efforts. The Company has set annual targets for its environmental health and safety management system, and is committed to continuously improving environmental protection and health and safety management to reduce environmental impacts and improve environmental health and safety in the Company. 2. The Company has ISO 14001:2015, ISO 45001:2018, CNS 45001:2018, and ISO 50001:2018. (1) The validity period of ISO 14001:2015 is from 2023.11.01 to 2025.01.16. (2) The validity period of ISO 45001:2018 is from 2023.11.02 to 2026.11.01. (3) The validity period of CNS 45001:2018 is from 2023.11.02 to 2026.11.01. (4) The validity period of ISO 50001:2018 is from 2023.12.05 to 2026.12.04.	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
(II) Is the Company committed to improving the resources utilization and the use of renewable materials that have low impact on the environment?	✓		The Company actively uses eco-friendly packaging materials, set up recycling facilities, use energy-saving lighting equipments, installs energy-saving equipment with scheduled power disconnection, use water-saving facilities in toilets to reduce the impact on the environment in order to achieve the sustainability. In addition, the Company has disclosed environmental protection strategies such as energy saving, greenhouse gas reduction on the website, and announced the tracking results periodically. The Company has been certified to ISO 50001:2018 management system and the Company is 3 committed to continue to improve energy efficiency.	No material difference.
(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take action on climate-related issues?	✓		The Company manages the climate change risks through procurement meetings, business meetings, occupational safety & health (OSH) and environment committee; in addition, the Company has developed a supplier response plan, promoted greenhouse gas reduction, and maintained a safe inventory level. In line with the greenhouse gas inventory, the Company has been working on the energy management system of ISO 50001, carbon reduction, product carbon footprint disclosure and waste reduction to reduce the greenhouse gas emissions, increase the water recycling efficiency, save water resources, reduce waste from the process source, and improve the recycling of waste in order to make efforts to sustainable environment. Please refer to the Company's 2021 CSR Report for more information. Climate change risks: Risks to the safe inventory in the supply chain, product transportation, unavailability of supplies, and energy shortages. Actions in response to climate change (Please refer to climate-related information on pages 69-77 of the annual report): 1. Build solar power facilities. 2. Promote carbon reduction activities. 3. Purchase eco-friendly raw materials. 4. Recycle and reuse the water resources.	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
			5. Maintain a safe inventory at each sales office; for those locations without a sales office to keep a safe inventory, we will ensure that our customers have a safe inventory. 6. Develop multiple suppliers to ensure that raw materials will not be out of stock to facilitate the deployment and allocation of production.	
(IV) Does the Company collect data for greenhouse gas emissions, water usage, and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction, and other waste management policies?	✓		1. Information on the carbon dioxide emissions for the last two years: (1) Yuanlin Factory: 2023: 10,469.44 tons, 2022: 15,353.29 tons. This represents a decrease of 31.81% in 2023 compared to 2022. (2) Yunlin Factory: 2023: 26,315.38 tons, 2022: 33,060.32 tons. This represents an decrease of 20.40% in 2023 compared to 2022. 2. Information on the water consumption for the last two years: (1) Yuanlin Factory: 2023: 100,280 tons, 2022: 146,601 tons. This represents an decrease of 31.60% in 2023 compared to 2022. (2) Yunlin Factory: 2023: 123,820 tons, 2022: 161,422 tons. This represents an decrease of 23.29% in 2023 compared to 2022. 3. Information on the wast generation for the last two years: (1) Yuanlin Factory: 2023: 51 tons, 2022: 69.01 tons. This represents a decrease of 26.10% in 2023 compared to 2022. (2) Yunlin Factory: 2023: 141 tons, 2022: 182.9 tons. This represents an increase of 22.91% in 2023 compared to 2022. In line with the greenhouse gas inventory, the Company has been working on the energy management system of ISO 50001, carbon reduction, product carbon footprint disclosure and waste reduction to reduce the greenhouse gas emissions, increase the water recycling efficiency, save water resources, reduce waste from the process source, and improve the recycling of waste in order to make efforts to sustainable environment.	No material difference.
IV. Social Issues (I) Does the Company formulate	✓		The Company is committed to protecting employees' human rights, and recognizes and	No material difference.

Assessment Item		Implementation Status (Note 1)			Non-implementation and its reasons
		Yes	No	Summary and Explanation (Note 2)	
	appropriate policies and procedures in compliance with relevant regulations and the International Bill of Human Rights?			supports internationally recognized human rights standards such as “United Nations Global Compact”, “United Nations Universal Declaration of Human Rights”, and “ILO Declaration on Fundamental Principles and Rights at Work”. The Company takes practical action to demonstrate its responsibility to respect and protect human rights, abide by the local labor and gender equality applicable laws and regulations, and put an end to any violations and of human rights. For related human rights policies, please refer to pages 117-118 of this annual report. The Company is committed in protecting the employees’ rights and complying with the Labor Standards Act and other government’s human rights policy by the “Regulations for the Probation and Appointment of New Employees.” The Company not only implement the policy, but also set up a variety of communication channels and management mechanisms to ensure that all employees are well protected so that the Company can create a respectful, caring and human rights-protective working environment. The Company has set up a smooth communication mechanism to assist employees in resolving issues related to personal rights or unfair treatment at work. We commited to ensure that employees’ opinions are addressed immediately, so that the communications throughout the workplace are hassle-free. If an employee is harassed in the workplace causing his/her personality, personal freedom, dignity, or work to be invaded or interfered with, he/she may file a complaint with the employer, supervisor, or HR unit. To ensure the mental and physical health of employees and compliance with the Labor Standards Act, the Company does not employ child labor and persons over the age of 16 and under the age of 18 in dangerous or hazardous work.	
(II)	Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?	✓		The Company believe that our employees are the most valuable asset for the Company and we are committed to share the profits with all the employees; the Company are also dedicated to provide a perfect working environment and system by setting rules for calculating the salary, special leave, regulations on employees’ leave of absence, and regulations on employees’ retirement management. Please refer to pages 113-117 of the 2023 Annual Report for other related benefits. The monthly performance bonuses are paid based on the performance achievement rate as evaluated. Article 27-1 of the Company’s Articles of Incorporation stipulates that employees’ remuneration shall be distributed at a rate of not less than 0.5% of the Company’s earnings for the year. The Board of Directors’ Meeting on March 11, 2024 approved the employees’ remuneration in the amount of NT$9,261,536 for 2023. The Company provides monthly employee performance bonuses based on the overall operating performance (e.g. pre-tax net profit growth rate, profitability growth rate, and group	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
			overconsumption rate), and also provides reasonable compensation based on individual performance and contribution to the Company's overall performance (e.g. frequency of disability injuries, daily closing speed, trial production and development, overhead expense ratio, yield rate, and reduction in waste rate).	
(III) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?	✓		Pre-employment training is arranged for new employees (courses include training on equipment operation and work environment safety), arrange doctors to the factory to provide health lectures on weight management and addiction control, the meaning of the results of medical examination, prevention of workplace violence, and treatment and prevention of heat hazard to raise employees' awareness on physical and mental health. And, the Company also organize professional certification training for staff working on specific tasks. The Company is ISO 45001:2018 certified, and follows the ISO 45001 occupational safety and health management system to promote the on-site implementation for occupational safety and health management, to conduct regular inspections on workplaces, to implement contract management, to introduce a false alarm reporting system, to conduct activities for safety, to manage toxic chemical substances, and to hold regular training on safety and health. It is our responsibility to provide a working environment that satisfies the legal and client requirements through a continuous improvement based on the PDCA management cycle for our employees and their families. The Company regularly holds seminars on employee safety and conducts safety inspections for the working environment, prepares a manual on safety and hygiene practices.The safety and health work rules have been prepared for all employees, and management staff have been required to attend work safety related courses; the Company has also allocated funds to improve the safety and environmental facilities in the factory Our safety and health education includes: 1. In compliance with the occupational safety and health education and training requirements: (1) For new employees: three hour courses. (2) For the supervisors: two hour courses per year. (3) On-site special operators: 3-hour course every 3 years on safety, hygiene, health and fire education. (4) For on-site staff: a. Before the new employee starts work on the first day, he/she will be given a one-hour course on equipment safety, hazard identification and safety awareness according to the job description. b. The employees will be given one hour seminar on equipment safety, hazard identification and safety awareness every year according to the job description.	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
			(5) Occupational Safety and Health Staff: They must attend 12 hours of occupational safety and health courses organized by external institutes every 2 years. (6) According to the Fire Services Act, the General Affairs Section shall invite firefighters to conduct factory-wide fire drills for all employees in the Company for four hours every six months. The total number of training hours for occupational safety and health, environmental protection, and fire education in 2023 is 13,814 hours with 8,672 participants. 2. The number of occupational accidents, the number of employees injured in the occupational accidents, and the ratio to the total number of employees: (1) In 2023, the number of occupational accidents and employees in Yuanlin Plant is 0; in Yunlin Plant is 6. (2) In 2023, the Disabling Injury Frequency Rate (FR) is 0 times per million working hours for the Yuanlin plant and 3.32 times per million working hours for the Yunlin plant. (3) In 2023, the Disabling Injury Severity Rate (SR) is 0 days per million working hours for the Yuanlin plant and 193.5 days per million working hours for the Yunlin plant. 3. Improvements for occupational accidents: (1) Check the machine and equipment clamp and roll spots throughout the plant, and examine whether the safety protection is sound, and ask each unit to improve the part that is not done. (2) Modify and add machine and equipment, change the operation process, implement hazard identification and risk assessment in advance, and request the relevant units to improve in order to reduce the chance of occupational accidents. 4. There are no fire incidents and zero casualties in 2023, so the fatality-injury ratio is 0. Fire prevention and emergency response fire drills are held by the regional fire departments every year. Fire prevention administrators and security personnel are assigned to supervise and manage fire prevention operations.	
(IV) Has the Company established effective career development training plans?	✓		The training program includes pre-employment training for new employees, on-the-job orientation training for new employees, and training for new technical personnel; training for current employees and supervisors by level (common category and core competencies), training for management competencies, training for departmental projects (common category) and professional competencies, succession training programs for senior executives, and self-directed training programs. The Company have offered a wide range of training opportunities and related incentives and subsidies to encourage employees to actively learn in order to improve the competitiveness within the organization. In 2023, the total expenditure for education and training is $10,093,752, and the total training hours are 54,006, with an	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
			average of 30.7 hours per employee, therefore, improving the overall quality of all employees is one of the important tasks for the Company. The employee training roadmap(system chart): The Company regularly organizes new employee orientations, general (core competencies) training, management competency training, project(competency) training, self-training, etc. every year to provide a variety of training courses that are linked to job promotion and serve as criteria for evaluating promotion standards. Please refer to pages 68 of the 2023 Annual Report for the employee training roadmap.	
(V) Does the Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling, etc., and has the Company set polices and consumer appeal procedures to protect consumers' and clients' rights?	✓		The products sold to each region must comply with the local requirements for concentration limits for toxic substances. If there is a violation of the concentration limit in the market sampling test, please file a complaint to the Company according to the internal market complaint management mechanism, so that the internal investigation can clarify the problem and then provide feedback to the customer. EU REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) Regulation EU RoHS (Restriction of Hazardous Substances) Directive US CPSIA (Consumer Product Safety Improvement Act) PRC GB/T 35012-2014 Requirements for Prohibited Substances on Automotive Sales to the following targeted markets are required to meet local requirements for providing information on fuel efficiency, wet grip and noise performance to consumers EU Tyre Labelling Rules REGULATION (EU) 2020/740 (Information on tyre fuel efficiency, braking capacity and noise levels) The Gulf Cooperation Council countries GSO (GCC Standardization Organization): GSO ECE 117 (Uniform Provisions Concerning the Approval of Tyres with Regard to Rolling Sound Emissions and/or to Adhesion on Wet Surfaces and/or to Rolling Resistance) SASO (Saudi Arabian Standards Organization): SASO 2857:2016 (VEHICLE TIRES ROLLING RESISTANCE AND WET GRIP REQUIREMENT) Brazil Inmetro (National Institute of Metrology, Standardization, and Industrial Quality): INMETRO No. 379: 2022 (Approves the Technical Quality Regulations and the Conformity Assessment Requirements for New Tires–consolidated regulation) All of our motorbike tires are produced using eco-friendly oils without the use of polycyclic aromatic hydrocarbons (PAHs) in order to ensure the safety of both consumers and employees. Our products and services are marketed and labelled in accordance with the relevant regulations and are certified with ISO 9001:2015 and IATF 16949:2016.	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
			Our products are certified worldwide with BIS (India), CCC (China), Colombia, DOT (USA), E-MARK (Europe), GSO (GCC), SASO (Saudi Arabia), I-MARK (Brazil), KATECH (Korea), SNI (Indonesia), and TIS (Thailand), etc. Our products are also certified in Taiwan with the BSMI, the CNS Mark, the Vehicle Safety Component Certification (VSCC) and the Taiwan Tire Energy Efficiency Label. We have set up a "Sustainable Development" (stakeholder information) section on our website (https://www.esg.kenda.com.tw/en), and have established rules for managing customer complaints and after-sales service. The Quality Assurance Department is assigned to handle the consumer protection and the customer complaints, and to conduct the customer satisfaction survey and set up a free customer service telephone number: 0800-048-888.	
(VI) Does the company establish a supplier chain management policy that requires suppliers to follow and implement related issues on environmental protection, occupational safety and health, or labor rights?	✓		When the Company evaluates the suppliers, in addition to information on management, technical capability, and production capacity, new suppliers must provide the "Basic Supplier Information Survey Form" with the "Declaration of Non-Use of Environmental Hazardous Substances and Conflict Minerals," the "Sustainable Development Statement for Suppliers," and samples (including the SDS Safety Information Sheet) for the Company's responsible department to investigate and evaluate before they can be classified as qualified suppliers. The Company also considers that suppliers should have a sound quality system available. Major raw material suppliers must also be certified with ISO 9001 quality system. The selection of new suppliers is based on the criteria such as quality, delivery time, supply status, operational performance, service capability, and so on, in addition to environmental protection, labor practices, human rights, and anti-corruption. From 2016, the Company starts to conduct CSR evaluation and communication to 1,210 domestic and overseas suppliers, including sending the Sustainable Development declaration to suppliers, asking them to fill in the declaration and return it back, and conducting Supplier Sustainability Questionnaire to new suppliers and existing suppliers. The result shows that 94% of the suppliers get qualified for the surveys, and those who fail to meet the standards are required to make improvements by a certain date, otherwise they will not be classified as qualified suppliers. The Company currently aims at carbon footprint verification, eco-friendly and renewable material for raw material suppliers, and hopes to fulfill corporate social responsibility for sustainable development.	No material difference.
V. Does the Company comply with international standards or guidelines for preparing corporate social responsibility or non-financial related reports? Have the previous released	✓		The Company prepares the ESG report in accordance with the GRI Standards published by the Global Reporting Initiative as well as the Sustainable Development Goals (SDGs) of the United Nations. The Company has not yet acquired 3rd certification party verification or statement of assurance. In the future, the Company expects to disclose ESG reports with the goal of acquiring 3rd certification party verification or statement of assurance.	No material difference.

Assessment Item	Implementation Status (Note 1)			Non-implementation and its reasons
	Yes	No	Summary and Explanation (Note 2)	
reports been verified by third-party certification entity with assurance or opinion statements?				

VI. If the Company has established its corporate social responsibility code of practice according to the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies," please describe the operational status and differences:

The Company established "Sustainable Development Best Practice Principles", in order to strengthen the Company's focus on ESG and to align with the international trend of sustainable development. In order to strengthen the implementation of sustainable development, the Company regularly reviews the implementation status of the Principles and makes improvements accordingly.

VII. Other important information to facilitate better understanding of the Company's implementation of corporate social responsibility:

(I) Implementation status for sustainable development:

1. Established the Kenda Cultural and Educational Foundation:

(1) Encourage students to continue their studies by awarding them with the Kenda Outstanding Scholarship and Underprivileged Scholarship for Freshmen Students.

(2) Promote education, culture and arts activities: The Company regularly organizes annual summer camps for children, Newton Science Camp and concerts, and Golden Jade Lectures.

(3) Support for students who have suffered from family problems, donations to schools in rural areas, and bicycles for economically disadvantaged students.

(4) Seminars in environmental issues: The Foundation holds the Marine Environment Education Seminar, and the Sustainable Management of Enterprises Integrating Environmental Concerns Seminar.

2. Social concerns:

(1) The Company donated residential fire alarms to the Fire Departments of Cihtong Township and the West District of Yuanlin City.

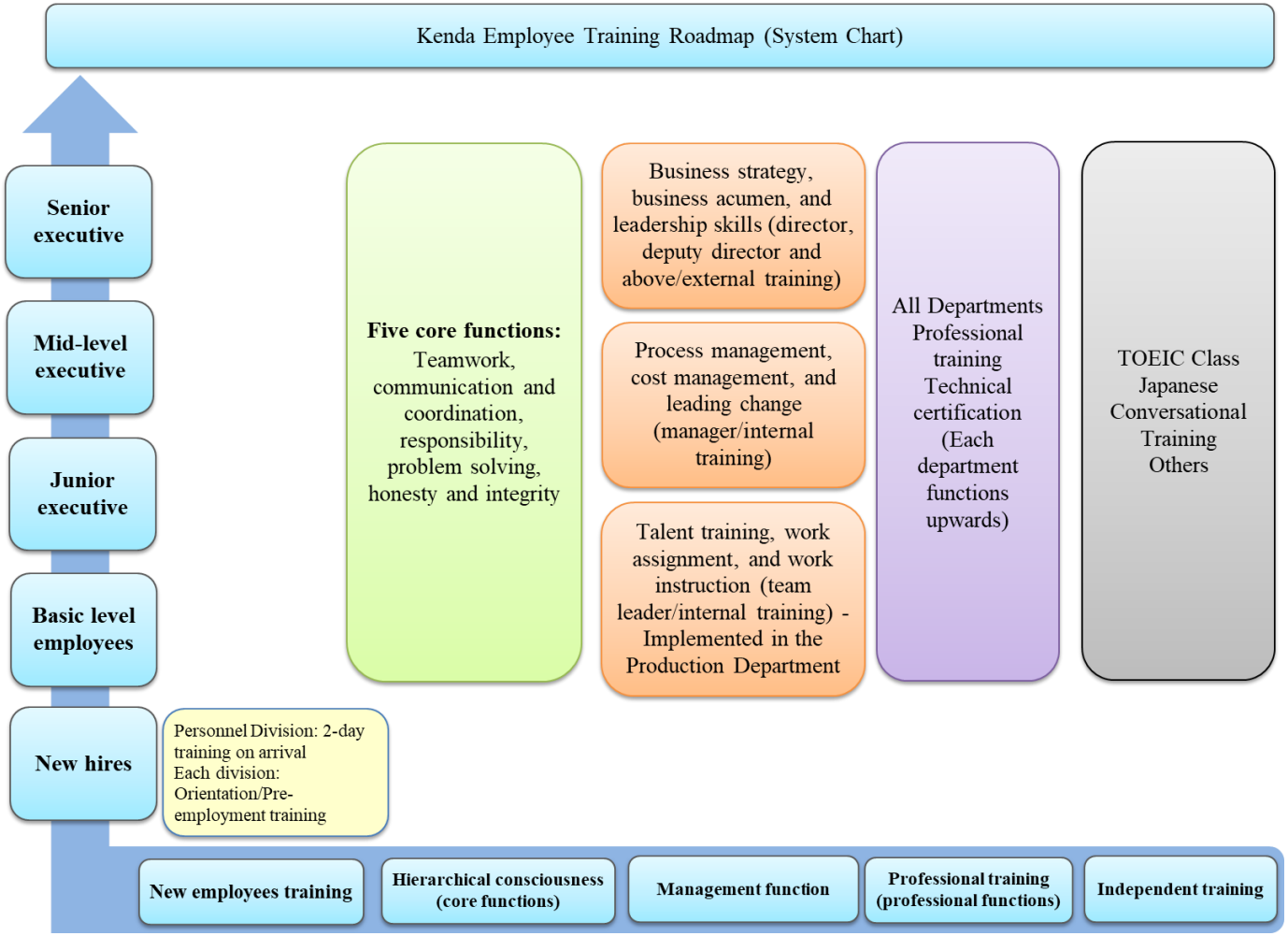
(2) The Company maintains and cleans the roads around the community area.

(3) The Company sponsored the Bicycle Festival organized by Giant Manufacturing Co. Ltd.

(4) The Company supports various sports events in Taiwan and has been sponsoring a number of potential golfers for a long time.

(II) For more information on the Company's susrainable developement implementation, please refer to the 2023 ESG Report.
(https://www.esg.kenda.com.tw/en/%E6%B0%B8%E7%BA%8C%E5%A0%B1%E5%91%8A%E6%9B%B8)

Note 1: If "Yes" is selected for the "Implementation Status," please state the important policies, strategies, measures adopted, and their implementation status. If "No" is selected for the "Implementation Status," please explain the reasons and state the plans for the future policies, strategies and measures to be implemented. However, with regards to Items 1 and 2, TWSE and TPEx listed companies should specify the governance and supervisory framework for sustainable development, including but not limited to management guidelines, formulation of strategies and goals, and measures for review. The Company's risk management policies or strategies for environmental, social, and corporate governance issues related to its operations, and its evaluation should also be described.

Note 2: The materiality principle refers to environmental, social and corporate governance issues that have a significant impact on the Company's investors and other stakeholders.

Employee Training Roadmap